Management Science: Finance and Administration
https://cartcarl.com/article/msfa/MarialAetal16112025.pdf **Review Article**

MANAGEMENT SCIENCE: FINANCE AND ADMINISTRATION

Assessment of Etsako Community Contribution to Nigeria's Economic Development

Akpoghomeh, M., Derefaeka, A. A. and Okeremuta, M. E.

Department of History and Diplomatic Studies, Faculty of Humanities, Ignatius Ajuru University of Education
*Corresponding Author: Akpoghomeh, M. (mariaakpoghomeh@gmail.com)

Abstract

Economic development is a fundamental pillar of any nation, playing a pivotal role in societal advancement, state building, and national prosperity. This study critically examines the contributions of the Etsako people to Nigeria's economic development, with a specific focus on the post-colonial era. Strategically located in the northern region of Edo State, the Etsako area is endowed with abundant natural resources and a rich socio-economic history that has significantly impacted Nigeria's broader developmental trajectory. The study explores Etsako's agricultural strength, natural resource endowments, industrialization, and infrastructural contributions within a historical context. From its involvement in regional trade routes and agricultural commercialization to its hosting of major industrial ventures such as cement and fertilizer production, Etsako stands as an economic fulcrum whose potential and legacy warrant academic attention.

KEYWORDS: Economic Development, Agricultural Practices, Nigeria

Introduction

The term "Etsako," which literally translates to "those who file their teeth," shares a common etymology with "Ivbiosakon," underscoring the deep-seated historical connections between these two entities (Egharevba 1968). According to traditions of the Etsako people, their ancestral homeland lies in the venerable Benin Kingdom, from which they migrated and eventually settled in their present-day territory within Edo State, Nigeria (Erhagbe, 1982).

This migratory process was characterized by multiple waves of movement, each driven by distinct motivations and circumstances. The first major wave of migration was precipitated by the oppressive reign of Oba Ewuare 1, which compelled the Etsako people to flee their ancestral homeland in search of freedom and self-determination (Erhagbe, 1982). This initial exodus marked the beginning of a protracted and complex migratory process that would ultimately shape the cultural, social, and geographical landscape of the Etsako people. The historical traditions of the Etsako people, which are deeply rooted in their experiences and interactions with the Benin Kingdom, continue to play a vital role in shaping their identity and informing their understanding of their place within the broader cultural and historical context of Nigeria.

Since their settlement in the 12th century, the Etsako people have consistently strived to establish themselves as a formidable economic force, leveraging their strategic location at the confluence of the Benue River to maximum advantage. This pivotal geographical positioning has enabled the Etsako people to harness the river's vast economic potential, transforming it into a major trading artery that has facilitated the exchange of goods and services with their immediate and distant neighbors (Rodney, 1972). Etsako people's proximity to the Benue River has conferred upon them a unique economic advantage, allowing them to capitalize on the river's navigability and exploit its resources to fuel their economic growth. By establishing trade relationships with neighboring communities and leveraging the river's connectivity, the Etsako people have successfully cultivated a thriving economy that has earned them recognition as a major economic player in the region even before the arrival of the colonialists. Their strategic location has also facilitated the development of a diverse range of economic activities, including agriculture, fishing, and craft production, which have collectively contributed to the Etsako people's economic viability and resilience. This economic importance made Etsako a major participant in the trans-atlantic slave trade, contributing a significant number of 3,000 Benin annual slave supplies.

According to Egharevba (1982) the slave trade in the Benin region thrived mostly under the leadership of the three most important Obas of the Benin Empire - Ewuare the Great (c1440-1473), Ozolua (c1481-1504) and Esigie (c1504-1550). It is noteworthy that the Etsako people were major participants of the trade at the time. Pereira (1861) notes that Benin of the early sixteenth century was usually at war with its neighbours and took many captives whom the Portuguese bought at twelve or fifteen bracelets each.

Slaves acquired from Etsako and other neighbouring settlement were battered at Gwato and Minna this led to the establishment of the Benin-Minna slave trade. However, at the end of the trans-atlantic slave trade Etsako became an important producer of the major commodities that the defined Gwato trading centre. They produced commodities such as dyed cotton cloth, jasper stones, blue coral, leopard skin. While pepper, Ivory and women slaves were brought in from Benin to Gwato trading centre. In the post-colonial era Etsako has been an important player in the Nigerian economy. It is important to note that Etsako people have a long-standing tradition of engaging in a diverse range of agricultural and economic activities, which have been the backbone of their economy for centuries. Crop farming is a mainstay of the Etsako economy, with the people cultivating a variety of crops such as yams, cassava, maize, groundnut and rice, which are well-suited to the fertile soils and favorable climate of the region. In addition to crop farming, the Etsako people are also skilled animal farmers, raising livestock such as cattle, goats, and sheep, which provide a source of meat, and other essential products. Fishery is another important economic activity among the Etsako people, with the Benue River and its tributaries providing an abundance of fish and other aquatic resources. The people have developed expertise in fishing and fish processing, with fish being a staple food source and serving as a major commodity for trade. Trading is a vital component of the Etsako economy, with the people actively engaged in the trade of raw materials and by-products of their agricultural and economic activities. Etsako people have developed a network of trade relationships with neighboring communities and regions, exchanging goods such as yams, cassava, fish, and livestock for other essential commodities. This thriving trade network has enabled the Etsako people to maintain economic viability and resilience, even in the face of external influence. It is important to note that all these economic activities coupled with the availability of limestone, potassium and precious stones had made Etsako an important aspect of Nigeria's economic landscape in the contemporary era.

The role of Etsako as a fulcrum in Nigeria's economic development remains a vastly understudied and unexplored phenomenon, despite its immense potential to propel economic growth, foster balance, and drive national prosperity. The existing body of literature on Nigeria's economic development is notable for its glaring omission of Etsako's strategic importance, resulting in a significant knowledge gap that has hindered a comprehensive understanding of the region's pivotal role in shaping the country's economic trajectory (Rodney, 1972; UNDP, 1990). This death of scholarly attention has meant that the intricacies of Etsako's economic potential, and its implications for Nigeria's broader economic development, remain poorly understood. Consequently, it has led to little or no empirical evidence and insights that could inform strategies to harness Etsako's economic potential, thereby perpetuating a cycle of untapped opportunities and unfulfilled economic promise. This study seeks to address this knowledge gap by conducting an in-depth examination of Etsako's role as a fulcrum in Nigeria's economic development, with a view to provide fresh insights, empirical evidence, and policy-relevant recommendations to drive sustainable national growth. The aim of this study is to examine the pivotal role of Etsako in Nigeria's economic development.

1. To investigate the historical and contemporary contributions of Etsako to Nigeria's economic development*, with a focus on the region's natural resources, infrastructure, and human capital.

2. To analyze the challenges and opportunities facing Etsako in its role as a fulcrum for Nigeria's economic development*, including the impact of government policies, environmental factors, and socio-economic trends.

3. To identify strategies for harnessing Etsako's economic potential and promoting sustainable economic development in Nigeria with a focus on leveraging the region's strengths, addressing its weaknesses, and capitalizing on emerging opportunities.

This study is significant because it addresses a substantial knowledge gap in the existing literature on Nigeria's economic development. By examining the role of Etsako as a fulcrum in Nigeria's economic development, this study provides fresh insights and empirical evidence that can inform policy and practice (UNDP,1990). The findings of this study will provide a deeper understanding of Etsako's economic potential and its implications for Nigeria's broader economic development. The study's focus on Etsako's economic potential makes it relevant to the country's broader economic growth and development agenda. The findings of this study will contribute to Nigeria's economic development by providing valuable lessons and insights that can inform national economic development strategies. Additionally, this study will provide a foundation for future research on Etsako's economic development and its role in Nigeria's economic growth.

Literature Review

This aspect of the research systematically examines the conceptual framework, the governing theoretical model, and the empirical findings documented in the related literature.

Conceptual Framework

The contributions of Etsako to nation building can be better understood through the lens of the concept of resource-based growth.

The Etsako people's contributions to Nigeria's nation-building efforts are best understood through the concept of resource-based growth. This concept suggests that a region's influence and political power are rooted in its unique resources, geography, and human capital. In Etsako's case, this means considering the region's agricultural wealth, mineral deposits, and strategic location as a hub for commerce and infrastructure development.

Etsako's fertile land and favorable climate make it an ideal location for farming, contributing to Nigeria's food security and export revenue. The region is known for its production of crops like yam, cassava, and maize, which are not only consumed locally but also exported to other parts of the country. This agricultural wealth has been a significant contributor to Nigeria's economy, providing employment opportunities for thousands of people and generating revenue for the government. In addition to its agricultural wealth, Etsako is also endowed with mineral deposits, including limestone, clay, and granite. These resources have been harnessed for construction, manufacturing, and export, generating revenue for the country. The region's limestone deposits, for example, have been used to produce cement, which has contributed to Nigeria's construction industry.

Etsako's strategic location has also made it a hub for commerce and infrastructure development. The region is situated near major highways and roads, making it an ideal location for trade and commerce. This has attracted investors and businesses to the region, contributing to Nigeria's economic growth. Etsako's human capital has also played a significant role in Nigeria's nation-building efforts. The region has produced intellectuals, bureaucrats, and entrepreneurs who have contributed to Nigeria's governance structure. These individuals have held key positions in government, business, and other sectors, providing leadership and expertise that has helped shape Nigeria's development.

Viewing Etsako's role through the lens of resource-based growth theory, we can appreciate how the region's resources and human capital have contributed to Nigeria's economic stability and social leverage. This framework highlights the importance of investing in Etsako's resources and human capital to promote sustainable development and economic growth. Undoubtedly, Etsako's contributions to Nigeria's nation-building efforts are significant and have a far-reaching impact. The region's agricultural wealth, mineral deposits, strategic location, and human capital have all played a role in shaping Nigeria's development.

Theoretical Framework

Theories serve as frameworks for understanding and interpreting specific phenomena, offering explanations, arguments, critiques, or support for a particular occurrence or situation. In essence, they provide a structured approach to analyzing and making sense of complex issues, allowing for a deeper comprehension of the underlying mechanisms and relationships. Thus, this study adopted the endogenous theory to provide a vivid analysis of Etsako's contributions to economic development in Nigeria.

The Endogenous Growth Theory (EGT) emerged in the late 1980s as a necessary scholarly response to the fundamental limitations inherent in the neoclassical Solow-Swan growth model. The origin of the theory is strongly associated with the foundational contributions of Paul Romer (1986, 1990), who formalized the role of technological innovation by treating knowledge as a non-rival partially excludable good, thereby allowing for increasing returns to scale at the aggregate level. This key insight fundamentally challenged the neoclassical assumption of diminishing returns to capital accumulation. Concurrently, Robert Lucas Jr. (1988) offered a critical elaboration by spotlighting the central function of human capital, arguing that systematic investments in education, vocational training, and specialized skills create widespread positive externalities that elevate the productivity of all other production factors across the economy, assuring continued growth.

Furthermore, Robert Barro (1991) broadened the framework by integrating the role of public policy, demonstrating how government expenditure on crucial public services and infrastructure can function as a productive input that enhances private sector efficiency and sustains high growth trajectories. Therefore, the essential principles of EGT posit that a country's long-term growth rate is not predetermined but can be significantly and durably affected by deliberate economic policies aimed at stimulating internal engines. These engines include fostering research and development, protecting intellectual property rights to incentivize innovation, and, most importantly, accelerating the accumulation of deep, specialized human capital. By incorporating the dynamic creation of knowledge and skill spillovers, EGT provides a framework where convergence to a static, low-growth steady state is prevented, offering a distinctly optimistic and activist perspective on economic development.

Applying this theoretical framework to the contemporary discourse regarding the Etsako contributions to the Nigerian economy allows for an assessment that goes far beyond simply listing resource endowments or political appointments. The Etsako people have historically demonstrated a remarkable cultural dedication to educational attainment and entrepreneurial activity (Ugbomeh, 2018). This sustained local investment in human capital has resulted in a disproportionately large pool of highly trained professionals, administrators, and technocrats who occupy strategically essential positions throughout the national bureaucracy, academic institutions, and private industry. This concentration of expertise is a living embodiment of the Lucas-type human capital externality: the skills developed locally in Etsako do not just benefit the individuals but generate learning and productivity spillovers that enhance the operational efficiency of the national institutions they serve. Moreover, the strong tradition of indigenous enterprise across various sectors from agriculture and manufacturing to commerce—represents an enduring, bottom-up source of innovation, capital formation, and institutional refinement (Okojie & Edeko, 2023). These regional innovations, however localized, continually renew the Etsako region's capacity to contribute to national GDP at a consistently high level. Recognizing these dynamics where local cultural values and investments in human development become the source of systemic, growth-enhancing knowledge and skills that diffuse across the federation—shifts the focus from simple resource-sharing to understanding the enduring, internal mechanisms of growth that the Etsako region supplies to the greater Nigerian project. This analytical approach, grounded in EGT, provides the necessary depth to appreciate how localized, skill-based development translates into long-run national economic resilience.

Empirical Review

To fully grasp the contributions of Etsako on Nigeria's economic development. Etsako people's role in Nigeria's economy reveals several strong themes across agricultural, commercial, and human capital sectors. A study by Oyelami et al. (2022) focuses on the socio-economic characteristics of backyard poultry farming in Etsako Central, establishing that this activity serves as a primary income source for most respondents, thereby strengthening rural household economies and contributing to national food security efforts. Complementing this, research by Omoniyi (2024) on poultry feed marketing in Etsako East demonstrates the emergence of agricultural value chains within the region, showing how localized commerce driven by market activity and entrepreneurial acumen generates significant profit, though it is often hampered by infrastructural deficiencies like poor road networks.

Moving beyond agriculture, the area's importance in private sector growth is highlighted in a specific study on entrepreneurship in Etsako West (2023). This literature examines the role of small and medium enterprises (SMEs) as a key solution to high unemployment rates, asserting that the local entrepreneurial spirit is crucial for wealth creation and should be supported by government policies, thereby feeding into the larger Nigerian economy. Furthermore, Julius Jimoh and Anthony Emhenya's (2024) work on revenue generation in Etsako West Local Government Area (LGA) indirectly illustrates the region's fiscal importance by analyzing constraints in local government finance, suggesting that improving internal revenue capacity is essential for achieving local development that eventually supports state and federal growth targets.

The region's natural resource base is also a subject of study, such as in Ehiagbanare's (2007) examination of the economic contributions of the forest sector to the entire Edo State. This research documents the employment generated by wood-based industries and the trade of non-timber products, which are particularly significant for local incomes and state revenue. Historically, works by scholars like Erhagbe and Ede (2012; 2013) provide historical context, detailing the evolution of the Etsako economy from its pre-colonial agrarian base to its present status as a commercial hub, particularly noting the rise of Etsako indigenes as prominent figures in inter-state trade and transport networks across Nigeria.

From a human capital perspective, broader Nigerian economic literature provides grounding for the Etsako contribution. Research from Chinwuba Okafor and Ibrahim Shaibu (2016) confirms that human capital development—proxied by education—is a fundamental driver of national output growth in Nigeria, providing a clear framework for understanding the value of skilled Etsako labor. This is further reinforced by the work of Omitogun, Osoba, and Tella (2016), which explores the relationship between various human capital variables and macroeconomic performance, validating the role of the educated workforce supplied by the region in filling professional and administrative roles nationwide. The general Etsako profile, discussed in contemporary reports (2025), specifically notes the group's reputation for producing academics, politicians, and public servants who occupy important roles in the national bureaucracy, confirming their influence on governance and policy implementation. Finally, geological surveys and regional reports (2025) which identify substantial deposits of untapped mineral resources like limestone and coal position Etsako land as possessing significant latent industrial potential, suggesting a forthcoming, substantial contribution to national industrialization and revenue generation when these resources are fully developed.

Results And Discussions

The findings of this study reveal that Etsako's contributions to Nigeria's economy are both historical and contemporary. The region's diverse economic activities include agriculture, mining, industrial manufacturing, and trade.

Etsako's agricultural base, supported by fertile soil and favorable climate, has enabled sustained food production and agribusiness. Industrial farms, such as the Leventis Farm in Weppa-Wanno, and fertilizer production in Auchi have contributed to food security and national resilience.

The cement industry in Okpella, driven by the abundance of limestone, is another vital component of Etsako's economic landscape. The Dangote and BUA cement factories significantly support Nigeria's construction sector, contribute to infrastructure development, and provide employment opportunities. Additionally, Etsako's transport infrastructure, including the rail system at Agenebode, enhances regional connectivity and trade, reducing transportation barriers and boosting economic activity. These economic advancements are rooted in Etsako's historical capacity to adapt, trade, and utilize natural resources. The legacy of pre-colonial commercial networks continues to influence contemporary economic structures, demonstrating a continuity of enterprise and resilience (Tijani & Sofoluwe, 2011).

Conclusion

Etsako's role in Nigeria's economic development is both foundational and forward-looking. Historically, the region thrived on agriculture, trade, and resource-based enterprise. In the post-colonial era, Etsako has emerged as a key industrial and agricultural hub, hosting strategic economic assets such as large-scale farms, cement factories, and fertilizer plants.

The combination of resource endowment, strategic location, and entrepreneurial capacity, positions Etsako as a model of regional development. However, to fully harness this potential, there is a need for sustained investment in infrastructure, environmental management, and inclusive economic policies. By highlighting Etsako's contributions, this study underscores the importance of recognizing and leveraging regional strengths in shaping Nigeria's broader development agenda. The region's trajectory illustrates how localized economic resilience can fuel national growth when properly supported and integrated into long-term planning.

The following recommendations are suggested towards improving economic development in Etsako

(1) Capacity Building and Partnership.

The government should provide training and capacity building programs for local government officials, farmers, and entrepreneurs to enhance their skills and knowledge.

(2) Partnership and Collaboration.

There should be private sector Partnerships with NGOs and government agencies to access resources expertise and funding for development projects.

(3) Infrastructure and Business Environment

Infrastructure Upgrade: There is a need to facilitate economic activities to attract investment by upgrading our road network, improving electricity supply, and water resources should be improved. This would reduce the cost of production among industries in the area.

(4) Business Incubation:

Organizations geared towards spreading up the growth and success of startup early-stage companies should be established. Fostering innovation and entrepreneurship.

(5) Industrial Development:

Cement Industry Linkage: The presence of the cement industry in Etsako influences the establishment of ancillary businesses, such as concrete products manufacturing quarrying industries and construction services.

Fertilizer Industry Support: Fertilizer industry management should be encouraged to provide training and support to local farmers, enhancing agricultural productivity.

(6) Tourism and Community Development:

Tourism Potential: Tourism Infrastructure in the area should be developed to showcase the area of cultural heritage agricultural produce and natural attractions.

Community Engagement: The community should lead in developmental initiatives, promoting social cohesion and collective progress.

By implementing these strategies, Etsako can harness its potential to drive economic growth and improve the quality of life for its people.

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